

FOR IMMEDIATE RELEASE

23 March 2000

TELEWEST COMMUNICATIONS PLC 4th QUARTER and FULL YEAR RESULTS 1999

- **Telewest Active Digital sales to date of 110,000**
 - **Interactive Services and e-mail launched today**
 - **Video on demand trials underway**
- **High Speed Internet Service "blueyonder" launched today**
- **EBITDA up 52% to £222 million**

		Actual *		Pro forma **	
		1999	Change over 1998	1999	Change over 1998
Revenue		£793m	+47.0%	£865m	+15.1%
EBITDA (earnings before interest, tax depreciation and amortisation)		£222m	+52.0%	£244m	+24.5%
EBITDA margin (EBITDA as a percentage of revenue)		28.0%	+1.0% pts	28.2%	+2.1% pts
Household	Customers	1.6m	+151,000	1.6m	+85,000
	Penetration	35.7%	+1.4% pts	35.7%	+1.4% pts
	Monthly Revenue	£34.92	+4.0%	£35.20	+5.1%
Residential television	Penetration	26.0%	+2.2% pts	26.0%	+2.1% pts
	Churn	26.1%	-2.9% pts	27.1%	-2.7% pts
Residential telephony	Penetration	32.0%	+1.5% pts	32.0%	+1.9% pts
	Churn	20.1%	-1.0% pts	20.9%	-0.8% pts
Business Services Revenue		£174m	+107.0%	£188m	+30.1%

*Including Cable London from 1st December 1999

**Assuming the General Cable merger and Birmingham Cable and Cable London acquisitions had taken place on 1st January 1998

Commenting, Tony Illsley, Chief Executive of Telewest Communications, said:

"Telewest has produced further growth in customers, penetration, revenues and EBITDA, with a continuing fall in churn. This reflects the steps we have taken to focus on customer sales, service and marketing and the growing recognition of the value and attractiveness of Telewest's services.

We now have £865 million of sales and £244 million of EBITDA on a pro forma basis from 1.6 million households and over 58,000 business accounts as at 31 December 1999. Our customer loyalty, usage and revenue are all noticeably increased. This, together with strategic steps we have taken and the cable unique services we are now launching places Telewest in a powerful position to secure the opportunities we see in the fast moving broadband digital world.

We believe we have created the world's most advanced broadband interactive platform and we launched our initial digital service, Telewest Active Digital, on schedule last October. Telewest Active Digital sales to date total 110,000 with 41% of these subscribers being new to Telewest services.

Today, we are entering the next phase of our broadband services, with the introduction of a wide range of interactive services for consumers which will start to exploit the unique advantages of our high bandwidth interactive network and which we expect will progressively distance us from our competitors. These services include television e-mail, as well as access to 60 high street brands in a 'walled garden' environment accessible through our electronic programming guide direct to the television.

In addition, we have taken two key initiatives on the internet. Last month, we launched Surf Unlimited, fundamentally changing the internet model by introducing unmetered usage. To date, this has doubled both our internet customer base and average internet usage.

Today, we are launching "blueyonder", the first high speed internet service in the UK, which addresses the consumers need for speed, providing permanent always-on connections. This will change the very nature of internet use in the home, providing rich multi-media content and ending the frustrations inherent in slow dial up internet services.

The product and services stream already in the pipeline will be substantially augmented by the launch of true video on demand in early 2001. We are already running live trials which will, over time, involve 20,000 trial customers.

With services and value that now go beyond the competition, we will increasingly focus on marketing and maximising the opportunities to drive penetration and usage and develop additional revenue streams.

Alongside these commercial initiatives, we have taken two key strategic steps.

Our proposed acquisition of Flextech plc has now received regulatory clearance and offer documentation has been posted to Flextech shareholders. Upon completion of the merger, Flextech's proven expertise at creating and packaging content will be underpinned by Telewest's distribution capacity. The combined group should be well positioned to capitalise upon the opportunities arising from the rapidly evolving broadband market and be able to cross-promote new branded services. Together the two companies can create and develop new products and services that can be delivered to consumers through Telewest's high capacity broadband network. The recommended offer of 3.78 new Telewest shares for each Flextech share values Flextech at £2.6 billion, based on a closing Telewest share price of 426.25p on 22 March 2000, and the first closing date for the offer is 4 April, 2000.

Secondly, we have taken an equity stake in a new joint venture with Andersen Consulting to give us direct access to leading edge technology in broadband applications. We believe this joint venture will allow us to lead the industry in delivering the broadband services of the future, in a scaleable form, and to confidently deliver these services to our customers.

These moves recognise the rapidly increasing convergence of devices accessing communications and content with complementary distribution channels. We are active in ADSL trials and are well positioned to leverage our broadband product and distribution strengths across a national platform and become a national brand.

Telewest is well positioned in each of the key planks of the new communications world – customer relationship, content and distribution.

Telewest is rapidly migrating its business model, delivering broadband enabled interactive services to residential and business customers and is focused on developing and accelerating the deployment of cable unique broadband interactive services. In an increasingly competitive market, Telewest is already well positioned with its world class network infrastructure and growing broadband technology expertise. Completion of the Flextech merger will enhance this position by bringing broadband content and media ownership to the new group."

BUSINESS REVIEW

Financial

Revenues increased 47.0% to £793 million for the year ended 31 December 1999, from £539 million for the same period in 1998. Included within this growth are consolidated revenues for General Cable and Birmingham Cable for all of 1999 but only four months of consolidated revenues for 1998.

In comparison, operating expenses, before depreciation and amortisation, increased by 45.1% to £571 million from £393 million in 1998. Included within this total are selling, general and administration expenses of £281 million for the year ended 31 December 1999, an increase of 35.1% on the prior year reflecting Telewest's larger size and its ongoing focus on cost control. Operating expenses increased in the latter part of the year reflecting staffing requirements for the launch of Digital TV and High Speed Internet Services.

Cable television margins remained constant at 49% compared with the same period in 1998. These margins were favourably impacted by subscribers who elected to subscribe to higher margin basic only packages, which increased to 56% of our total cable television subscribers as at 31 December 1999 as compared to 48% a year earlier.

The telephony business continues to be impacted by shifts in customer usage patterns with an increasing proportion of lower margin internet and mobile traffic. However, in residential services the increase in minutes of use more than offsets the adverse impact of this shift in call patterns. Telephony margins for the year ended 31 December 1999 were 69%, down from 74% for the same period in 1998.

EBITDA increased 52% to £222 million in 1999 from £146 million for the same period in 1998 and EBITDA margins increased to 28.0% for the year ended 31 December 1999, up 1 percentage point on the corresponding period a year earlier. EBITDA decreased in the fourth quarter reflecting increased staffing and advertising relating to the launch of Digital TV and High Speed Internet Services.

An exceptional charge of £49 million relating to the accelerated depreciation of analogue set top boxes arises because of Telewest's commitment to migrate its analogue base to digital over three years.

Residential Services

Telewest's household penetration increased by 1.4 percentage points during 1999 to end the year at 35.7%, which represents a total customer base of 1.6 million homes and approximately 4.0 million consumers. Monthly revenue per household increased by 4.0% to £34.92 in the year ended 31 December 1999 as compared with the same period in 1998. This was principally the result of an increase in total customers subscribing to both television and telephony services with 62% of all Telewest household customers having subscribed to combined packages.

As at 31 December 1999, Telewest's television product penetration reached a record 26% of homes passed and marketed, representing some 1.2 million television subscribers, of which 23,456 were Telewest Active Digital subscribers. Cable television product churn continued to improve, falling to 26.1% in the year ended 31 December 1999, down 2.9 percentage points from the same period in 1998.

In October 1999, Telewest announced the launch of Telewest Active Digital. The roll-out of digital television services is progressing to schedule with the services now available to approximately 2.6 million homes, or 59 % of our total homes marketed. Telewest Active Digital sales to date have totalled 110,000 of which 77% or 85,000 have been installed. 41% of total sales are to subscribers new to Telewest and 91% of all Telewest Active Digital subscribers have elected to take our full package of 63 basic television channels combined with access to 50 channels of near video-on-demand services.

Today, Telewest is entering the next phase of its broadband services with the introduction of interactive services to the television and high speed internet access to the personal computer.

Interactive services to the television include access to 60 major high street brands through the Telewest Active Digital electronic programming guide. At launch, Telewest Active Digital will feature the products and services of W H Smith, Woolworths, Abbey National, Scoot.com, SceneOne, Ladbrokes and gameplay.com among others. This varied range of services brings e-commerce into the home on a mass market basis and, we believe, represents a truly exciting revenue and earnings opportunity for Telewest.

Also included at launch is a television e-mail service that is fully compatible with the internet. This television e-mail service will be operable either using a hand held keyboard or a point and click on-screen menu operated by remote control.

Telewest has also commenced trials of true video-on-demand services in its South East franchise. This trial will ultimately include a total of 20,000 homes, the largest of its kind in the UK. Telewest expects to launch true video-on-demand as a full commercial service by early 2001.

Residential telephony product penetration increased 1.5 percentage points, to 32.0% as at 31 December 1999, with second line penetration almost doubled to 12.0% by 31 December 1999. Telewest now provides 1.6 million residential exchange lines. As with television product churn, telephony product churn continued to improve falling to 20.1% for the year ended 31 December 1999, down 1 percentage point on the same period in 1998.

Surf Unlimited, the UK's first dial up unmetered internet access service was launched in February 2000. Surf Unlimited has doubled both our internet subscriber base and average internet usage. This ensures that a greater proportion of total internet related traffic generated by Telewest telephony subscribers remains on Telewest networks. The service is supported by a Telewest / MSN co-branded internet portal.

"Blueyonder", a high speed internet service for home personal computers, is launched today. For £50 a month, customers in Telewest's South East franchise can get unmetered, always-on, high speed internet access at 512 kbits per second. Telewest expects that "blueyonder" will be progressively rolled out across virtually all of its franchises during quarter 2 and quarter 3 2000. "Blueyonder" is designed to create a new internet experience, rich in multi-media content. Telewest intends to support this new access product with a branded broadband portal to be launched in July, 2000.

Business Services

Business Services revenues for the year ended 31 December 1999, increased by 107% to £174 million from the same period in 1998. Telewest ended the year with over 58,000 business customer accounts and over 300,000 business exchange lines. These customer accounts generated an annualised revenue of approximately £3,400 per account during the year ended 31 December 1999.

The business services division includes 'commercial services' which was set up in January 1999 and has achieved £24 million of revenue in its first year of operation. The traditional business services division continues to focus on capturing the opportunities in data to offset competition and eroding margins in its traditional voice telephony market. Telewest is developing a range of internet based data services which can be readily upgraded with broadband content.

"Biz-Explore" was launched in February 2000 as an introduction to the internet for SoHos (small office, home office) and SMEs (small and medium sized enterprises). "Biz-Explore" provides internet connectivity, the ability for customers to create their own home page, gain a listing in the UK's largest 21 search engines and an integrated call back facility for consumers.

"Telewest Endeavour" is another example of our internet based data applications. Launched in November 1999, "Telewest Endeavour" is a travel portal targeted at independent travel agents that allows access to reservation systems and a range of new on-line travel services.

This range of simple but compelling applications will be enhanced by the launch of high speed internet access services to SoHos and SMEs using cable modem technology which leverages Telewest's investment in broadband cable networks.

Corporate Developments

On 25 August 1999, Telewest announced its intention to acquire the 50% interest of Cable London which it did not own for £428 million. Following a 1 for 11 rights issue which raised approximately £410 million (net of expenses), this acquisition completed in November 1999. Integration of Cable London into the Telewest residential and business services organisations is well progressed and digital services are expected to be launched in the Cable London franchises during the second quarter of 2000.

On 27 January 2000, Telewest and Flextech announced the terms of a proposed merger of the two groups to be effected by a recommended offer by Telewest of 3.78 new Telewest shares for each Flextech share. The merger will create an integrated communications and media group focused on delivering a range of voice, video and interactive services across multiple platforms, underpinned by ownership of branded digital media content. Offer documents were posted to Flextech shareholders on 7 March 2000 and the first closing date of the offer is Tuesday, 4 April 2000.

On 6 March 2000, Telewest and Andersen Consulting announced the formation of a new company to develop leading edge, interactive broadband applications. The joint venture intends to provide consultancy services and develop, customise and license innovative solutions for the rapidly emerging broadband industry.

On 22 March 2000, the European Commission announced that it has extended its investigation of Microsoft's proposed purchase of MediaOne's interest in Telewest. The European Commission stated that the investigation will be extended by four months and a decision is expected by early August. The European Commission's announcement does not affect Telewest's merger with Flextech, which has already been approved by the competition authorities in the UK.

Enquiries to

Telewest Communications plc

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Notes:

On 1 September 1998, Telewest completed its merger with General Cable. At that time, through the General Cable merger, Telewest increased its ownership of Birmingham Cable from 27.47% to 72.42%. In October and November 1998 Telewest acquired an additional 27.58% of Birmingham Cable so that Birmingham Cable became a wholly owned and operated subsidiary. On 23 November 1999, Telewest completed the acquisition of the 50% of Cable London it did not already own.

Pro forma operating and financial data are provided to show Telewest's results, assuming the General Cable merger and the Birmingham Cable and Cable London acquisitions had taken place on 1 January 1998. The commentary above includes pro forma information intended to provide more meaningful comparisons

Year 2000 Update

During the fourth quarter of 1999, Telewest completed its Year 2000 programme at a total cost of approximately £4.1 million. Telewest did not experience any material Year 2000 disruptions, nor did any of its suppliers experience any Year 2000 disruptions which materially affected Telewest. Telewest does not expect to incur any additional material costs related to Year 2000 remediation.

The directors remain aware that possible problems associated with Year 2000 may still occur and controls remain in place to continue to monitor such risks.

The following is included in connection with legislation in the United States, the Safe Harbour Statement under the US Private Securities Litigation Reform Act of 1995; The foregoing includes certain forward looking statements that involve various risks and uncertainties which could lead to actual results significantly different than those anticipated by Telewest. For a discussion of certain of these risks and uncertainties see the Company's Registration Statement on form F-4 filed with the US Securities and Exchange Commission on 6 March 2000.

Unless otherwise specified, all references to financial information are on a UK GAAP basis.

Telewest Communications plc
Operating Statistics - Owned and operated

RESIDENTIAL SERVICES	Proforma		Proforma	
	Net additions Q4 1999	Net additions YTD 1999	Net additions Q4 1998	Net additions YTD 1998
Homes Marketed	15,112	72,010	64,283	190,082
Customer Homes Added	32,814	85,052	31,679	97,900
Cable Television Subscribers	31,851	109,412	55,141	123,704
Telephony Subscribers	31,941	107,615	38,589	131,680
Telephone Lines	59,893	194,393	52,603	184,309
		As at 31 Dec. 1999 Actual		As at 31 Dec. 1998 Proforma
Cable television and residential telephony subscribers*		987,752		856,441
Cable television only subscribers		167,808		189,707
Residential telephony only subscribers *		428,945		452,641
Internet only subscribers		1,061		1,725
Total residential customers		1,585,566		1,500,514
* Includes subscribers also subscribing for internet services.				
Homes marketed		4,443,824		4,371,814
Household penetration		35.7%		34.3%
Cable television subscribers		1,155,560		1,046,148
Cable television penetration		26.0%		23.9%
Churn rate – proforma		27.1%		29.8%
Residential telephony subscribers		1,416,697		1,309,082
Residential telephony penetration		32.0%		30.1%
Residential telephone lines		1,586,010		1,391,617
Second line penetration		12.0%		6.3%
Churn rate – proforma		20.9%		21.7%
Dial-up internet subscribers		60,306		22,321
BUSINESS SERVICES	Proforma		Proforma	
	Net additions Q4 1999	Net additions YTD 1999	Net additions Q4 1998	Net additions YTD 1998
Business customer accounts	4,236	12,683	4,263	8,346
Business telephony lines	20,668	72,483	16,132	55,419
		As at 31 Dec. 1999 Actual		As at 31 Dec. 1998 Proforma
Business customer accounts		58,347		45,664
Business telephony lines		306,244		233,761
Average number of lines per customer account		5.2		5.1
Annualised revenue per customer account		£3,432		£3,545

Telewest Communications plc

Owned and Operated and Affiliated Franchises

As at 31 December 1999

	Telewest Franchises (1)		General Cable Franchises (2)		Birmingham Cable Franchises (3)		Telewest Owned and Operated Franchises (4)		Cable London Franchises (5)		Telewest Group Franchises (6) Proforma	
	31 December		31 December		31 December		Proforma 31 December		31 December		31 December	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
Number of franchises	28	28	8	8	1	1	37	37	4	4	41	41
Residential customers	1,010,145	1,095,071	196,685	196,947	161,098	157,665	1,367,928	1,449,683	130,861	134,822	1,498,789	1,584,505
Residential dual customers	620,434	724,668	88,228	104,651	88,346	89,909	797,008	919,228	59,433	68,524	856,441	987,752
Percentage of dual customers	61.4%	66.2%	44.9%	53.1%	54.8%	57.0%	58.3%	63.4%	45.4%	50.8%	57.1%	62.3%
Monthly revenue per customer	£33.18	£34.94	£33.21	£34.03	£33.44	£35.24	£33.21	£34.85	£37.84	£39.68	£33.49	£35.20
CABLE TELEVISION												
Homes passed	3,062,829	3,107,989	718,930	722,499	437,341	440,723	4,219,100	4,271,211	393,947	402,878	4,613,047	4,674,089
Homes passed and marketed	2,886,540	2,924,029	692,099	692,195	415,333	440,469	3,993,972	4,056,693	377,842	387,131	4,371,814	4,443,824
Subscribers	724,287	817,842	110,032	121,541	117,856	116,174	952,175	1,055,557	93,973	100,003	1,046,148	1,155,560
Penetration rate (7)	25.1%	28.0%	15.9%	17.6%	28.4%	26.4%	23.8%	26.0%	24.9%	25.8%	23.9%	26.0%
Average monthly rev/sub (8)	£22.93	£21.05	£20.89	£19.76	£21.56	£21.19	£22.49	£20.92	£23.01	£23.35	£22.54	£21.13
Average churn rate (9)	29.8%	24.4%	29.4%	31.9%	28.2%	30.8%	29.5%	26.0%	32.2%	38.2%	29.8%	27.1%
RESIDENTIAL TELEPHONY												
Homes passed	2,884,345	2,929,505	718,930	722,499	437,347	440,723	4,040,622	4,092,727	393,947	402,878	4,434,569	4,495,605
Homes passed and marketed	2,868,030	2,913,763	692,099	692,195	415,333	440,977	3,975,462	4,046,935	377,842	387,131	4,353,304	4,434,066
Subscribers	906,292	1,001,897	174,881	180,057	131,588	131,400	1,212,761	1,313,354	96,321	103,343	1,309,082	1,416,697
Penetration rate (10)	31.6%	34.3%	25.3%	26.0%	31.7%	29.8%	30.5%	32.4%	25.5%	26.7%	30.0%	32.0%
Lines	973,487	1,137,988	177,026	189,641	136,901	143,080	1,287,414	1,470,709	104,203	115,301	1,391,617	1,586,010
Average monthly rev/line (11)	£19.17	£19.32	£23.74	£24.31	£21.53	£22.62	£20.07	£20.32	£27.82	£27.74	£20.64	£20.87
Average churn rate/line (12)	21.5%	18.6%	22.2%	24.8%	16.8%	24.3%	21.1%	20.0%	29.4%	32.1%	21.7%	20.9%
BUSINESS SERVICES												
Customer accounts	29,186	38,687	8,236	10,117	4,874	5,608	42,296	54,412	3,368	3,935	45,664	58,347
Lines	131,085	163,446	60,799	82,808	23,465	34,036	215,349	280,290	18,412	25,954	233,761	306,244
Average lines / customer (13)	4.5	4.2	7.4	8.2	4.8	6.1	5.1	5.2	5.5	6.6	5.1	5.2
Average monthly rev/line (14)	£42.68	£45.20	£94.99	£75.63	£55.62	£49.07	£58.58	£54.55	£57.40	£57.65	£58.49	£54.80
Average annualised rev/cust (15)	£2,175	£2,428	£10,622	£7,149	£3,030	£3,155	£3,545	£3,428	£3,550	£4,176	£3,545	£3,481

Telewest Communications plc

Telewest Franchises

As at 31 December 1999

- (1) Consists of the 28 cable franchises owned and operated by the Telewest Group prior to the General Cable merger and the Birmingham acquisitions. Those franchises (collectively, the "Telewest Franchises") comprise the London South and South East Regional Franchise Area, the Midlands and South West portions of the Midlands, South West and Birmingham Regional Franchise Area, the Scotland and North East Regional Franchise Area, and the North West Regional Franchise Area.
- (2) Consists of the 8 cable franchises owned and operated by the General Cable Group prior to the General Cable merger. Those franchises (collectively, the "General Cable Franchises") comprised General Cable's Western London franchise area (historically owned 83.5% by the General Cable Group and 16.5% by the Telewest Group) and Yorkshire franchise area (historically owned 100% by General Cable) which now comprise the Yorkshire and Western London Regional Franchise Area.
- (3) Consists of the one cable franchise owned and operated by Birmingham Cable (the "Birmingham Cable Franchise."). That franchise was historically owned 27.47%, 27.47% and 44.95% by the Telewest Group, Comcast") and the General Cable Group, respectively, and 0.11% by certain individuals and now comprises the Birmingham portion of the Midlands, South West and Birmingham Regional Franchise Area.
- (4) Represents the 37 cable franchises owned and operated by the Telewest Group following the General Cable merger and the Birmingham acquisitions (collectively the "Owned and Operated Franchises").
- (5) Consists of the four cable franchises owned and operated by Cable London (collectively, the "Cable London Franchises" and together with the Owned and Operated Franchises, the "Telewest Group Franchises"). Prior to 23 November 1999, these franchises were owned approximately 50% by Telewest and approximately 50% by NTL (Triangle) LLC as successor to Comcast, a wholly owned subsidiary of NTL, Inc. They are now owned 100% by the Telewest Group.
- (6) Represents the Telewest Franchises, the General Cable Franchises, the Birmingham Cable Franchise and the Cable London Franchises.
- (7) Cable television penetration rate at a specified date represents (i) the total number of cable television customers at such date, divided by (ii) the total number of homes passed and marketed for cable television at such date.
- (8) Average monthly revenue per subscriber for each period represents (i) the average monthly cable television revenue for such period, divided by (ii) the average number of cable television subscribers in such period.
- (9) Average cable television churn rate for the period represents (i) the total number of cable television customers who terminated basic service or whose was terminated during such period, divided by (ii) the average number of cable television customers in such period.
- (10) Residential telephony penetration rate at a specified date represents (i) the total number of residential cable telephony customers at such date, divided by (ii) the total number of homes passed and marketed for residential cable telephony at such date.
- (11) Average monthly revenue per residential line for each period represents (i) the average monthly residential cable telephony revenue for such period, divided by (ii) the average number of residential cable telephony lines in such period.
- (12) Average residential telephony churn rate per line for the period represents (i) the total number of residential cable telephony lines terminated by customers of the company providing the lines during such period, divided by (ii) the average number of residential cable telephony lines in such period.
- (13) Average number of business lines per customer at a specified date represents (i) the number of business cable telephony lines at such date, divided by (ii) the number of business cable telephony customer accounts at such date.
- (14) Average monthly revenue per business line for each period represents (i) the average monthly business cable telephony revenue for such period, divided by (ii) the average number of business cable telephony lines in such period.
- (15) Average annualised revenue per customer account for each period represents (i) the average monthly business services revenue for each period divided by (ii) the average number of business services customer accounts in such period, multiplied by twelve months.

Telewest Communications plc

Financial performance on a proforma basis (assumes the General Cable merger and the Birmingham Cable and Cable London acquisitions had taken place on 1st January 1998).

This information is not prepared in accordance with proforma financial requirements set forth by Regulation S-4 of the Securities Exchange Commission. This represents an aggregation of each company's data without making full consolidation adjustments and other adjustments required for the presentation of financial statements and should be considered for illustrative purposes only.

For the year ended 31 December:

	Proforma Combined Group		Telewest		General Cable		Birmingham Cable		Cable London	
	1999 £m	1998 £m	1999 £m	1998 £m	1999 £m	1998 £m	1999 £m	1998 £m	1999 £m	1998 £m
Revenue										
Cable Television	283.4	265.4	199.2	182.6	27.5	27.9	29.4	30.6	27.3	24.3
Residential Telephony	376.3	317.1	248.7	203.5	52.8	48.5	38.0	33.6	36.8	31.5
Business Services	188.2	144.7	83.5	59.1	73.0	60.9	16.7	13.5	15.0	11.2
Other	17.0	24.3	16.8	22.1	0	2.2	0.2	0	0	0
Total	864.9	751.5	548.2	467.3	153.3	139.5	84.3	77.7	79.1	67.0
Contribution	545.4	482.8	351.3	310.8	93.5	84.7	54.0	47.6	46.6	39.7
SG&A	(301.6)	(287.0)	(203.5)	(186.8)	(46.6)	(48.3)	(29.0)	(27.1)	(22.5)	(24.8)
EBITDA	243.8	195.8	147.8	124.0	46.9	36.4	25.0	20.5	24.1	14.9
Capital Expenditure	501.7	375.1	377.3	237.9	68.8	79.0	26.2	25.4	29.4	32.8

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER

	1999 £m Before exceptional items	1999 £m Exceptional items	1999 £m Total	1998 £m Total
				Audited
Turnover				
Residential Services				
Cable television	258.3	-	258.3	201.9
Telephony	342.9	-	342.9	232.5
	601.2	-	601.2	434.4
Business Services	174.3	-	174.3	84.2
Other (Internet, ad sales etc)	17.0	-	17.0	20.6
Total	792.5	-	792.5	539.2
<small>(Includes £785.8m and £539.2m relating to continuing operations and £6.7m and nil relating to acquisitions for 1999 and 1998 respectively)</small>				
Operating expenses before charging depreciation and amortisation	(570.7)	-	(570.7)	(393.2)
EBITDA	221.8	-	221.8	146.0
Depreciation and amortisation	(353.9)	(49.0)	(402.9)	(237.8)
Group operating loss	(132.1)	(49.0)	(181.1)	(91.8)
<small>(After exceptional items includes £(180.0)m and £(91.8)m relating to continuing operations and £(1.1)m and nil relating to acquisitions for 1999 and 1998 respectively)</small>				
Share of operating profit/(loss) of associated undertakings	0.7	-	0.7	(6.5)
Other interest receivable and similar income <small>(includes the group share of interest receivable in associated undertakings of £6.8m and £2.3m for 1999 and 1998 respectively)</small>	11.1	-	11.1	19.1
Interest payable and similar charges	(360.6)	-	(360.6)	(234.4)
Loss on ordinary activities before tax	(480.9)	(49.0)	(529.9)	(313.6)
Tax on loss on ordinary activities	-	-	-	-
Loss on ordinary activities after tax	(480.9)	(49.0)	(529.9)	(313.6)
Minority interests	(0.1)	-	(0.1)	1.1
Loss for the financial year	(481.0)	(49.0)	(530.0)	(312.5)
Basic and diluted loss per equity share (pence)*	(21.9)	(2.2)	(24.1)	(17.8)

* restated for compliance with FRS 14

The consolidated financial statements as set out on pages 12 to 15 which are unaudited, have been prepared on the basis of the accounting policies set out in Telewest's 1998 Annual Report other than where changes are necessary to implement new accounting standards. The balance sheet, profit and loss account and cash flow information at 31 December 1998 is derived from the statutory accounts for 1998 which have been delivered to the Registrar of Companies following the Company's annual general meeting in May 1999. The auditors have reported on those accounts: their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The statutory accounts for 1999 will be finalised based on the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting in May 2000.

Telewest Communications plc
UK GAAP
NOTES TO THE SUMMARISED UNAUDITED CONSOLIDATED PROFIT AND LOSS
ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER

	1999 £m Before exceptional items	1999 £m Exceptional items	1999 £m Total	1998 £m Total
1 Operating costs				
Operating expenses :				
Programming expenses	131.9	-	131.9	103.0
Telephony expenses	158.0	-	158.0	82.3
Selling, general, and administrative expenses	280.8	-	280.8	207.9
	570.7	-	570.7	393.2
Depreciation and amortisation :				
Depreciation of tangible fixed assets	305.3	49.0	354.3	223.6
Amortisation of goodwill	48.6	-	48.6	14.2
	353.9	49.0	402.9	237.8
Total operating costs	924.6	49.0	973.6	631.0
2 Interest payable and similar charges				
Share of interest of associated undertakings			6.8	14.6
On bank loans and overdrafts and other loans				
Wholly repayable within 5 years			25.9	0.1
Wholly or partly repayable in more than 5 years			55.9	73.8
Finance costs of Senior Discount Debentures			93.6	84.6
Finance costs of Senior Debentures			21.9	23.8
Finance costs of Senior Notes			24.9	6.6
Finance costs of Senior Convertible Notes			15.1	-
Finance costs of Senior Discount Notes			28.8	-
Finance charges payable in respect of finance leases and hire purchase contracts			9.4	9.0
Exchange loss on foreign currency translation, net			44.0	6.9
Sale and leaseback termination			8.9	-
Extinguishment of debt			15.7	-
Other			9.7	15.0
Total interest payable and similar charges			360.6	234.4

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER

	1999 £m	1998 £m Audited
Fixed assets		
Intangible assets	1,304.4	918.8
Tangible assets	2,775.1	2,457.1
Investment in associated undertakings	4.0	26.6
Other investments	2.1	2.3
	4,085.6	3,404.8
Current assets		
Stocks	0.2	0.3
Debtors	158.2	124.7
Secured cash deposit restricted for more than one year	12.0	187.4
Cash at bank and in hand	65.2	40.9
	235.6	353.3
Creditors: amounts falling due within one year	(505.8)	(330.1)
Net current assets / (liabilities)	(270.2)	23.2
Total assets less current liabilities	3,815.4	3,428.0
Creditors: amounts falling due after more than one year	(3,061.0)	(2,569.6)
Minority interests	(0.5)	(0.4)
Capital and reserves	753.9	858.0

Telewest Communications plc
UK GAAP
SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

	1999 £m	1998 £m Audited
Net cash inflow from operating activities	197.6	129.1
Returns on investments and servicing of finance		
Interest received	7.5	19.0
Interest paid	(123.8)	(119.4)
Interest element of finance lease payments	(12.9)	(8.3)
Net cash outflow from returns on investments and servicing of finance	(129.2)	(108.7)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(468.1)	(257.1)
Sale of tangible fixed assets	4.7	6.1
Net cash outflow from capital expenditure and financial investment	(463.4)	(251.0)
Acquisitions and disposals		
Purchase of subsidiary undertakings	(395.3)	(394.0)
Cash acquired with subsidiaries	2.2	16.9
Investment in associated undertakings and other participating interests	(2.4)	(5.7)
Net cash outflow from acquisitions and disposals	(395.5)	(382.8)
Management of liquid resources		
(Increase) / decrease in fixed deposits (net)	(33.6)	3.5
Financing		
Cash paid for credit facility arrangement costs	(16.3)	(5.9)
Net (repayment of)/proceeds from borrowings under old credit facility	(538.5)	206.1
Repayment of borrowings under old facilities	(597.0)	-
Net proceeds from borrowings under new facilities	951.0	-
Release of restricted cash deposits	175.4	5.5
Cash received from exercise of share options	12.5	0.6
Cash received from pre-emptive issue	-	241.1
Cash received from rights issue	415.5	-
Share issue costs	(2.5)	(3.3)
Proceeds from issue of Senior Discount Notes	399.2	-
Proceeds from issue of Senior Convertible Notes	300.0	-
Proceeds from bridge loan	-	136.6
Proceeds from issue of Senior Notes	-	210.3
Repayment of bridge loan	-	(138.5)
Debenture issue costs	(17.8)	(5.5)
Repayment of borrowings	(45.1)	(0.4)
Capital element of finance lease payments	(221.8)	(21.8)
Net cash inflow from financing	814.6	624.8
(Decrease)/increase in cash	(9.5)	14.9

Telewest Communications plc
US GAAP
SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	3 months ended 31 Dec. 1999 \$m	3 months ended 31 Dec. 1999 £m	3 months ended 31 Dec. 1998 £m	Year ended 31 Dec. 1999 \$m	Year ended 31 Dec. 1999 £m	Year ended 31 Dec. 1998 £m Audited
Revenue						
Cable television	110.6	68.5	62.2	417.2	258.3	201.9
Residential telephony	157.0	97.2	76.6	553.7	342.9	232.5
Business services	69.6	43.1	34.6	270.3	167.3	84.2
Other	0.7	0.4	1.8	27.4	17.0	20.6
Total	337.9	209.2	175.2	1,268.6	785.5	539.2
Operating loss	(105.1)	(65.1)	(33.6)	(288.3)	(178.5)	(113.8)
Interest income	0.7	0.4	8.3	11.5	7.2	15.0
Interest expense	(112.9)	(69.9)	(72.0)	(473.5)	(293.2)	(206.0)
Foreign exchange gain/(loss), net	(11.8)	(7.3)	(23.0)	(79.7)	(49.3)	(11.9)
Share of losses of affiliates	(1.0)	(0.6)	(3.1)	(9.9)	(6.2)	(18.7)
Minority interest in losses / (profits) of consolidated subsidiaries, net	-	-	0.6	(0.1)	(0.1)	1.1
Other, net	-	-	0.5	(1.1)	(0.7)	1.6
Loss before income taxes	(230.1)	(142.5)	(122.3)	(841.1)	(520.8)	(332.7)
Income tax (expense) / benefit	(0.2)	(0.1)	0.4	-	-	-
Net loss before extraordinary item	(230.3)	(142.6)	(121.9)	(841.1)	(520.8)	(332.7)
Extraordinary loss on extinguishment of debt	-	-	-	(32.5)	(20.1)	-
Net loss	(230.3)	(142.6)	(121.9)	(873.6)	(540.9)	(332.7)
Basic and diluted loss per ordinary share *						
Net loss before extraordinary item	\$(0.10)	£(0.06)	£(0.06)	\$(0.38)	£(0.24)	£(0.23)
Extraordinary loss	-	-	-	\$(0.01)	£(0.01)	-
Net loss	\$(0.10)	£(0.06)	£(0.06)	\$(0.39)	£(0.25)	£(0.23)

* restated for the dilutive effect of the 1999 rights issue and 1998 pre-emptive issue.

1 Earnings/(loss) before interest, taxes, depreciation and amortisation ("EBITDA")

Operating loss	(105.1)	(65.1)	(33.6)	(288.3)	(178.5)	(113.8)
Add: depreciation and amortisation of goodwill	169.1	104.7	90.4	592.6	366.9	259.8
EBITDA (after non-cash share-based compensation costs)	64.0	39.6	56.8	304.3	188.4	146.0
Add back: non-cash share-based compensation costs	6.1	3.8	-	42.6	26.4	-
EBITDA (before non-cash share-based compensation costs)	70.1	43.4	56.8	346.9	214.8	146.0

2 Operating costs and expenses

Programming	(56.4)	(34.9)	(27.6)	(213.0)	(131.9)	(103.0)
Telephony	(75.1)	(46.5)	(29.9)	(255.2)	(158.0)	(82.3)
Selling, general and administration	(142.4)	(88.2)	(60.9)	(496.1)	(307.2)	(207.9)
Depreciation	(142.0)	(87.9)	(75.6)	(493.1)	(305.3)	(223.6)
Amortisation of goodwill	(27.1)	(16.8)	(14.8)	(99.5)	(61.6)	(36.2)
Total	(443.0)	(274.3)	(208.8)	(1,556.9)	(964.0)	(653.0)

The consolidated financial statements as set out on pages 16 to 18, which are unaudited have been prepared on the basis of the accounting policies set out in Telewest's 1998 Annual Report.

The economic environment in which the Company operates is the United Kingdom ("UK") and hence its reporting currency is Pounds Sterling ("£"). Merely for convenience, the financial statements contain translations of certain Pounds Sterling amounts into US Dollars at \$1.6150 per £1.00, the Noon Buying Rate of the Federal Reserve Bank of New York on 31 December 1999. The presentation of the US Dollar amounts should not be construed as a representation that the Pounds Sterling amounts could be so converted into US Dollars at the rate indicated or at any other rate.

Telewest Communications plc
US GAAP
SUMMARISED UNAUDITED CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER

	1999 \$m	1999 £m	1998 £m Audited
Assets			
Cash and cash equivalents	105.3	65.2	40.9
Secured cash deposit restricted for more than one year	19.4	12.0	187.4
Receivables and prepaid expenses	245.0	151.7	125.2
Investments	7.1	4.4	26.6
Property and equipment	4,551.2	2,818.1	2,457.1
Goodwill	2,381.2	1,474.4	1,095.8
Other assets	67.3	41.7	44.7
Total assets	7,376.5	4,567.5	3,977.7
Liabilities			
Debt	5,055.9	3,130.6	2,325.7
Other liabilities	781.1	483.6	610.5
Total liabilities	5,837.0	3,614.2	2,936.2
Minority interests	0.8	0.5	0.4
Shareholders' equity	1,538.7	952.8	1,041.1
Total liabilities and shareholders' equity	7,376.5	4,567.5	3,977.7

Telewest Communications plc**US GAAP****SUMMARISED UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

YEAR ENDED 31 DECEMBER

	1999 \$m	1999 £m	1998 £m Audited
Cash flows from operating activities			
Net loss	(873.6)	(540.9)	(332.7)
Adjustments to reconcile net loss to net cash provided by operating Activities:			
Depreciation	493.1	305.3	223.6
Amortisation of goodwill	99.5	61.6	36.2
Amortisation of deferred financing costs and issue discount on senior discount debentures	238.2	147.5	88.0
Unrealised loss on foreign currency translation	79.2	49.0	14.1
Non cash accrued share based compensation cost	42.6	26.4	-
Termination of sale and leaseback	14.4	8.9	-
Extinguishment of debt	32.5	20.1	-
Share of net losses of affiliates	9.9	6.2	18.7
Loss/(gain) on disposals of assets	1.1	0.7	(1.6)
Minority interests in (loss)/profits of consolidated subsidiaries, net	0.1	0.1	(1.1)
Changes in operating assets and liabilities, net of effect of acquisition of subsidiaries:			
Change in receivables	(31.2)	(19.4)	28.2
Change in other assets	(32.5)	(20.1)	-
Change in prepaid expenses	17.7	10.9	(10.3)
Change in accounts payable	(36.4)	(22.5)	(6.4)
Change in other liabilities	56.2	34.8	(36.3)
Net cash provided by operating activities	110.8	68.6	20.4
Net cash used in investing activities	(1,387.1)	(858.9)	(633.9)
Net cash provided by financing activities	1,315.5	814.6	624.8
Net increase in cash and cash equivalents	39.2	24.3	11.3
Cash and cash equivalents at beginning of year	66.1	40.9	29.6
Cash and cash equivalents at end of year	105.3	65.2	40.9

- Ends -